## Delaware Public Employees' Retirement System Judicial Pension Plan

# Retirement Planning



Presented by the State of Delaware Office of Pensions

### Statistics (as of 6/30/22)

- 38,885 Retirees (including terminated vested) from all nine plans
  - 63 from Judicial Pension Plan (JUD)
- 44,817 Active Members in all nine plans
  - 59 in Judicial Pension Plan (JUD)
- Over \$12.3 billion in the Delaware Public Employees' Retirement System (8 pension plans, 1 length of service award plan, 3 post-retirement trusts, 1 investment pool made up of three entities)
  - Assets of \$101.8 million in JUD
  - Approximately 113.4% funding ratio for JUD

### Pension Contributions

- Member Contributions
  - Deducted after first \$6,000 of earnings each calendar year
  - 3% contribution
  - Deducted in excess of annual Social Security wage base
  - 2% of wages (5%)
- Employer Contributions
  - FY 2023 11.22% of salary

### Retirement Eligibility - Service & Disability Pension

• Age 62 with 12 years of pension credited service

- 24 years as a judge
  - Capped at 24 years of pension credited service

### Retirement Eligibility - Vested Pension

• Must have 12 years of service as a judge

• Pension is effective first of the month following 62nd birthday

### Who is an Eligible Survivor?

A <u>survivor</u> is a person eligible to receive a monthly pension at the time of the active member or pensioner's death

- Spouse
- Child/children under age 18, unmarried, and if between the ages of 18 and 22, a full-time student
- Child permanently disabled as a result of a disability that began before the child attained age 18
- Dependent parent(s)

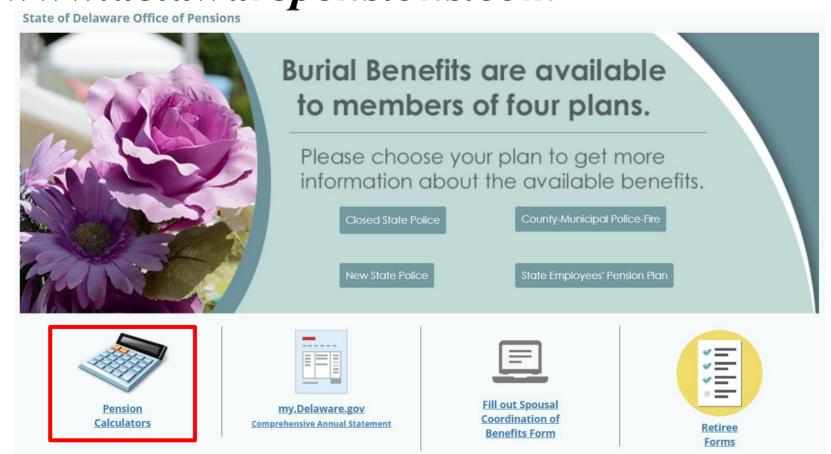
### Joint And Survivor Benefit

- Death of an active member = 2/3 of the benefit the employee would receive at the age of 62
- Pensioner's monthly pension reduced for lifetime
  - 50% = No reduction
  - 66.67% = 2% reduction
  - 75% = 3% reduction
  - 100% = 6% reduction

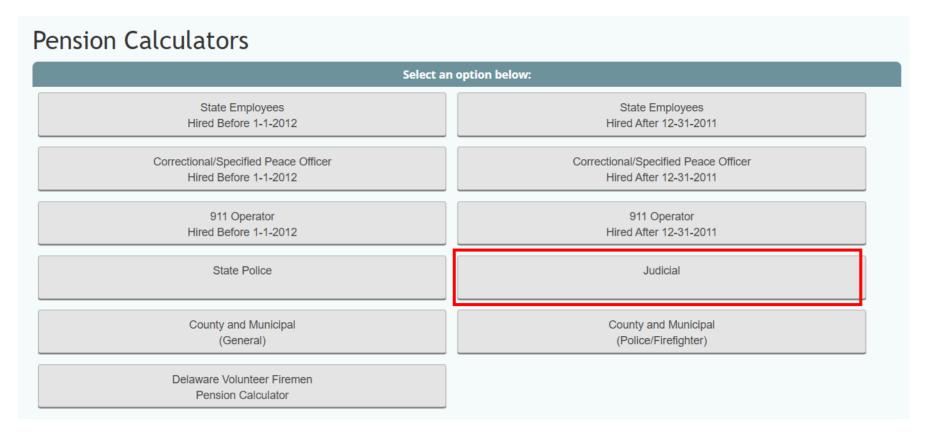
### Who is a Beneficiary?

• A <u>beneficiary</u> is named on the Member Actuarial Information form or the Contributory Designation/Change of Beneficiary form and receives a lump sum distribution of the balance of member paid pension contributions, plus interest, in the event there is no eligible survivor at the time of the member's death.

# Calculating Your Estimated Monthly Pension Visit www.delawarepensions.com



### Calculating Your Estimated Monthly Pension



### Estimated Credited Service

#### How to retrieve your Comprehensive Annual Statement

To access:

Log into my.delaware.gov

Click on Annual Statement

Click on Comprehensive Statement

Click on the most recent year

#### 1. Enter Combined Highest 3 Year Compensation:

578889.89

2. Enter Creditable Service up to 12 Years:

12.0

3. Enter Creditable Service beyond 12 Years, but not to exceed 24 years:

12.00

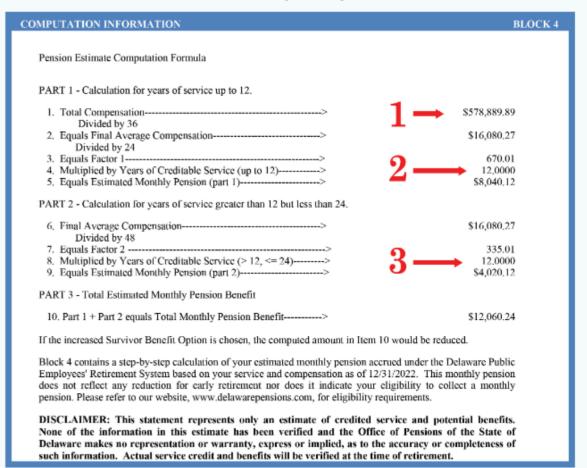
Additional Years of Service:

Years 0 v Months: 0 v

Your Age at Retirement:

Years 52 v Months: 0 v

#### For Example Only



-Click "Estimate Pension" to display the Estimated Pension

Estimate Pension

### Monthly Estimated Pension

#### **Estimated Monthly Pension Benefit**

\* \* \* These are for estimation purposes only \* \* \*

50% survivor option

\$12060.21

66% survivor option

\$11819.01

75% survivor option

\$11698.40

100% survivor option

\$11336.60

You have achieved 24 or more years of service and can retire at any age

To see a more detailed description of your Pension Estimate Click Here.

Print a complete Estimate Summary based on the data input.

- All plans coupled with prescription plan coverage
  - Changes in coverage occur once a year during the open enrollment period in May; changes are effective July 1<sup>st</sup>
  - Medicare–eligible members' open enrollment period occurs in October; changes effective January 1<sup>st</sup>
- Life Changing Event Changes must be done within 30 days of the event
- If eligible for double state share please visit for premium information <a href="https://dhr.delaware.gov/benefits/dss/index.shtml">https://dhr.delaware.gov/benefits/dss/index.shtml</a>

• Health benefits are available with the "State Share" paid by the State of Delaware for members:

- First hired prior to 7/1/1991
- Disability Pensioners
- Members on Long Term Disability

• For members first hired on or after 7/1/1991 through 12/31/06, the following portion of the "State Share" will be paid by the State of Delaware:

	Less than	10 years	of credi	ted service	0%
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•	10 years –	- 14 years	11 ı	months	50%
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• For members first hired on or after 1/1/07, the following portion of the "State Share" will be paid by the State of Delaware:

<ul> <li>Less than 15 years of credited service</li> </ul>	0%
• 15 years − 17 years 5 months	50%
• 17 years 6 months − 19 years 11 months	75%
• At least 20 years	100%

### Health Insurance Example

Non-Medicare Rates Effective July 1, 2022					
	Total				
Coverage	Monthly	State Pays	Pensioner		
	Rate		Pays		
Highmark Delaware Comprehensive PPO Plan					
Individual	\$862.68	\$748.38	\$114.30		
Individual & Spouse	\$1,790.16	\$1,552.96	\$237.20		
Individual & Child(ren)	\$1,329.54	\$1,153.38	\$176.16		
Family	\$2,237.94	\$1,941.42	\$296.52		

- ➤ Hired on January 1, 1986 Retiring with 15 Years of Service (\$1,552.96 \* 0%) \$0 + \$237.20 = \$237.20 per month
- ➤ Hired January 1, 2003 Retiring with 15 Years of Service (\$1,552.96 \* 25%) \$388.24 + \$237.20 = \$625.44 per month
- ➤ Hired January 1, 2007 Retiring with 15 Years of Service (\$1,552.96 \* 50%) \$776.48 + \$237.20 = \$1,013.68 per month

### Dental & Vision Insurance

Available at retirement

Automatic payroll deduction

### Active Member Benefits

- Securian Financial
  - Available to eligible active members who want to maintain Group Universal Life (GUL) after retirement
  - Premiums must be paid directly to Securian
- Flexible Spending Account (FSA)
  - Per IRS tax code there is no provision for retirees to participate
  - Benefit terminates the effective date of retirement or date of last FSA payroll deduction
- Deferred Comp Accounts
  - Final check is the last time you can contribute to this account

### Direct Deposit

Mandatory for monthly pension

Deposited on the last business day of each month

### **Taxes**

- Monthly pension is taxable by the Federal Government
- May or may not be taxable in the State where the retiree maintains permanent residence
- Form 1099-R

### Payment of Monthly Pension

- Your first Pension Check will be on a 1 month lag
  - Retire June 1st you will receive your first check July 31st
  - Double Pay
  - Double Deductions
- Monthly pension is calculated after the receipt of your final pay from your Organization
- Online pay advices
- Post Retirement Increase (PRI)
  - A PRI is a pension increase received after retirement
  - Granted upon Legislative approval
  - 1% was given 1/1/2015
  - \$400 one-time supplement November 2018
  - July 2021 based on Effective Date of Retirement
    - 3% Prior to 7/1/1991
    - 2% 7/1/1991 6/30/2001
    - 1% 7/1/2001 6/30/2016
  - \$500 one-time supplement November 2021

### So...Ready for Retirement?

- Written notification to Supervisor and Human Resources four months prior to retirement
- Please visit our Pathway to Retirement for further details on the Retirement Process
   https://open.omb.delaware.gov/Path-to-retirement.shtml
- Member
  - Gathers required personal documents needed for self, spouse and eligible dependent(s) as applicable
    - Birth Verification
    - Signed Social Security Card
    - Marriage Verification
    - Divorce Verification
    - Medicare Card

### After You Retire

The Office of Pensions maintains pensioner records

- Updates must be in writing with signature
  - Name
  - Address
- Other personal information
  - Please note if you update your information on your Single Sign On account you must still submit your updates in writing
- Available to answer questions or concerns

### Contact the Office of Pensions

The Office of Pensions maintains pensioner records

• Website: <u>www.delawarepensions.com</u>

• Email address: Pensionoffice@Delaware.gov

• Phone: (302) 739-4208

• Toll free: (800) 722-7300

• Fax: (302) 739-6129

Office Address: McArdle Building

860 Silver Lake Blvd, Ste. 1

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